

# **EXHIBIT “C”**

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<p>IN THE FEDERAL COURT OF THE MIDDLE DISTRICT OF ALABAMA</p> <p>CIVIL ACTION NUMBER 2:06CV-377-WKW</p> <p>PIONEER SERVICES, INC., Plaintiff, vs AUTO-OWNERS INSURANCE COMPANY, Defendant</p> <p>THE VIDEOTAPED DEPOSITION TESTIMONY OF: WILLIAM BARRETT</p> <p>February 2, 2007 9:55 a m</p> <p>COURT REPORTER: Gwendolyn P. Timbie, CSR</p>	<p>1 the parties may make objections and assign 2 grounds at the time of trial or at the 3 time said deposition is offered in 4 evidence, or prior thereto. 5 Please be advised that this is the 6 same and not retained by the Court 7 Reporter, nor filed with the Court 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23</p>
Page 2	Page 4
<p>1 STIPULATIONS 2 IT IS STIPULATED AND AGREED by and 3 between the parties through their 4 respective counsel that the deposition of 5 WILLIAM BARRETT, may be taken before 6 Gwendolyn P. Timbie, Certified Shorthand 7 Reporter and Notary Public, State at 8 Large, at the law offices of Morrow, 9 Romine &amp; Pearson, Montgomery, Alabama, on 10 February 2, 2007, commencing at 11 approximately 9:55 a m 12 IT IS FURTHER STIPULATED AND 13 AGREED that the signature to and the 14 reading of the deposition by the witness 15 is waived, the deposition to have the same 16 force and effect as if full compliance had 17 been had with all laws and rules of Court 18 relating to the taking of depositions. 19 IT IS FURTHER STIPULATED AND 20 AGREED that it shall not be necessary for 21 any objections to be made by counsel to 22 any questions, except as to form or 23 leading questions, and that counsel for</p>	<p>1 INDEX 2 EXAMINATION BY: PAGE NO: 3 Mr Hall 9 4 Certificate 175 5 6 LIST OF EXHIBITS 7 EXHIBITS: PAGE NO: 8 Plaintiff's 11 98 9 Plaintiff's 12 166 10 11 12 13 14 15 16 17 18 19 20 21 22 23</p>

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<p>1 APPEARANCES</p> <p>2</p> <p>3 FOR THE PLAINTIFF:</p> <p>4 HARRY P. HALL, II, Esquire</p> <p>5 Farmer, Price, Hornsby &amp; Weatherford</p> <p>6 100 Adris Place</p> <p>7 Dothan, Alabama 36303</p> <p>8</p> <p>9 FOR THE DEFENDANT:</p> <p>10</p> <p>11 JOEL H PEARSON, Esquire</p> <p>12 Morrow, Romine &amp; Pearson</p> <p>13 122 South Hull Street</p> <p>14 Montgomery, Alabama 36104</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p>	<p>1 Mr. Reeves, which -- there was a ruling by</p> <p>2 the Court, and I don't believe any further</p> <p>3 objection is necessary by me at this</p> <p>4 time If you think I need to put</p> <p>5 something additional on the record as to</p> <p>6 what I put on the prior one, you can let</p> <p>7 me know But I think the Court didn't</p> <p>8 want us to make continuing calls to the</p> <p>9 Court, and that my reference to the prior</p> <p>10 objection could be placed on the record</p> <p>11 And that was sufficient</p> <p>12 MR. HALL: Yeah That's my</p> <p>13 understanding as well, is that all of your</p> <p>14 objections you made at Bill Reeves'</p> <p>15 deposition will be standing objections --</p> <p>16 MR. PEARSON: Yes</p> <p>17 MR. HALL: -- concerning the</p> <p>18 technique of taking the depositions</p> <p>19 All right This is February</p> <p>20 2, 2007, in a case involving Pioneer</p> <p>21 Services versus Auto-Owners The case</p> <p>22 number is CV -- no That's not right</p> <p>23 Well, let's see We've removed it, so</p>
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<p>1 I, Gwendolyn P Timbie, Certified</p> <p>2 Shorthand Reporter and Notary Public for</p> <p>3 the State of Alabama at Large, acting as</p> <p>4 Commissioner, certify that on this date,</p> <p>5 pursuant to the Federal Rules of Civil</p> <p>6 Procedure, and the foregoing stipulation</p> <p>7 of counsel, there came before me at the</p> <p>8 law offices of Morrow, Romine &amp; Pearson,</p> <p>9 Montgomery, Alabama, commencing at</p> <p>10 approximately 9:55 a m , on February 2,</p> <p>11 2007, William Barrett, witness in the</p> <p>12 above cause, for oral examination,</p> <p>13 whereupon the following proceedings were</p> <p>14 had:</p> <p>15</p> <p>16 WILLIAM BARRETT,</p> <p>17 Having been first duly sworn, was examined</p> <p>18 and testified as follows:</p> <p>19</p> <p>20 MR. PEARSON: Let me just put</p> <p>21 on the record -- I think I wrote you about</p> <p>22 it, Harry I'm just going to adopt the</p> <p>23 objection I made at the deposition of</p>	<p>1 let's get the federal number.</p> <p>2 MR. PEARSON: It's</p> <p>3 2:06CV377-WKW</p> <p>4 MR. HALL: That's it</p> <p>5 MR. PEARSON: I noticed on the</p> <p>6 prior depositions it references the</p> <p>7 Northern District of Alabama It's</p> <p>8 actually the Middle District</p> <p>9 MR. HALL: Middle District,</p> <p>10 Northern Division</p> <p>11 MR. PEARSON: Right</p> <p>12 MR. HALL: That's probably</p> <p>13 what that means.</p> <p>14 My name is Harry Hall. I</p> <p>15 represent the plaintiff I would ask that</p> <p>16 everyone here identify themselves</p> <p>17 MR. PEARSON: Joel Pearson for</p> <p>18 Auto-Owners Insurance Company.</p> <p>19 THE WITNESS: I'm Billy</p> <p>20 Barrett</p> <p>21 THE REPORTER: I'm Wendy</p> <p>22 Timbie, the court reporter</p> <p>23 MR. HALL: All right. Go</p>

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1 thing he would do is check coverage, make  
 2 sure that there's a policy in force  
 3 covering the -- that date of loss and  
 4 what's being reported And then the next  
 5 thing would be contact --  
 6 Q The customer?  
 7 A Yes  
 8 Q All right  
 9 A From there, you would  
 10 determine what the needs of the claim were  
 11 from that -- hopefully from that initial  
 12 contact and then proceed Make -- make  
 13 appointments Do whatever is necessary on  
 14 that particular claim  
 15 Q All right When a claim comes  
 16 from an insured or a customer up to  
 17 Auto-Owners, is it reported directly to  
 18 the Montgomery branch office, or does it  
 19 go somewhere else and then come back down  
 20 to Montgomery?  
 21 A Usually they report to their  
 22 local agent, who reports directly to the  
 23 branch office

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1 Q Montgomery, the branch office  
 2 in Montgomery for Auto-Owners, would  
 3 receive claims notifications from the  
 4 agents within Montgomery's territory?  
 5 A Yes  
 6 Q All right How would you get  
 7 those? By fax or by e-mail or how?  
 8 A Either by fax or by mail  
 9 Q We've had some testimony about  
 10 preprinted claim forms, when a substantial  
 11 storm would move through an area and  
 12 Auto-Owners would send out these forms  
 13 Where were those generated?  
 14 A Lansing  
 15 Q All right That came from the  
 16 home office, and they went to each agent's  
 17 office?  
 18 A Yes  
 19 Q And would -- if those were  
 20 filled out by the agent on behalf of a  
 21 customer that had a claim, they were faxed  
 22 to the Montgomery branch office?  
 23 A Yes.

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1 Q All right So when that came  
 2 in, Montgomery -- or the office here in  
 3 Montgomery would be the initial  
 4 investigating part of Auto-Owners?  
 5 MR PEARSON: Object to form.  
 6 A If there has been an occasion  
 7 to have preprinted loss notices, you don't  
 8 operate in a manner that you would when  
 9 those things are not required  
 10 Q Okay  
 11 A That means that you've had a  
 12 catastrophe  
 13 Q Yes, sir.  
 14 A Everybody in the world has a  
 15 claim  
 16 Q Yeah  
 17 A There is not sufficient time  
 18 to go step by step by step  
 19 Q Okay  
 20 A So they're going out in bulk,  
 21 and you're making bulk assignments to  
 22 independent adjusters And you're  
 23 juggling at that point

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1 Q All right. Well, then let's  
 2 talk about the -- that process during a  
 3 catastrophe scenario, where a hurricane,  
 4 for instance, comes through and you have  
 5 mass claims.  
 6 How did the Montgomery branch office  
 7 handle assignment of the excess work or  
 8 the extra work to third-party adjusters?  
 9 A They would be -- the third  
 10 party as you call them, the independent  
 11 claims firms, would have been pre-noticed  
 12 that they're going to be receiving work  
 13 from us They would -- in some cases,  
 14 they would set up temporary locations to  
 15 receive work from us  
 16 Q Where would they set those up?  
 17 A Well, some did; some didn't.  
 18 Mobile -- for instance, GAB We talked  
 19 about them They set up a storm office in  
 20 Mobile and began receiving from us there  
 21 United Storm Adjusters received in their  
 22 office in Tampa and then electronically  
 23 disbursed to their adjusters. The other

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1 that If you're making a claim for  
2 something, I think you, personally, would  
3 know that; that you wouldn't throw  
4 something away of your own if you're  
5 wanting someone else to pay you for that  
6 thing I wouldn't, as a person  
7 Q What about after it was  
8 inspected by the company and photographed?  
9 A Well, until I was told that it  
10 was okay to dispose of it, I wouldn't I  
11 don't think any prudent person would  
12 Q All right. That's all I've  
13 got Thank you, sir.  
14 A You're welcome  
15 Q Mr Pearson may have  
16 questions.  
17 MR PEARSON: I don't have  
18 anything  
19 MR HALL: All right This is  
20 the end of the deposition of William  
21 Barrett on February 2, 2007, and it's a  
22 complete recording of these proceedings  
23

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1 1:46 p m  
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3 FURTHER DEPONENT SAITH NOT  
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1 CERTIFICATE  
2  
3 STATE OF ALABAMA )  
4 MONTGOMERY COUNTY )  
5 I hereby certify that the above  
6 and foregoing deposition was taken down by  
7 me in stenotype, and the questions and  
8 answers thereto were transcribed by means  
9 of computer-aided transcription, and that  
10 the foregoing represents a true and  
11 correct transcript of the deposition given  
12 by said witness upon said hearing  
13 I further certify that I am  
14 neither of counsel nor of kin to the  
15 parties to the action, nor am I in anywise  
16 interested in the result of said cause  
17  
18  
19 GWENDOLYN P. TIMBIE, CSR  
20 Certificate No: AL-CSR-569  
21 My Commission Expires  
22 March 4, 2009  
23

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